
Total Fixed Income
Lehman Aggregate Benchmark
For the month of: August 2006

Performance Calculations blue = outperform by 10 bp; red = underperform by 10 bp (* Annualized)

	<u>Last Month</u>	<u>Last 3 Months</u>	<u>Last 1 Year</u>	<u>Last 3 Years*</u>	<u>Last 5 Years*</u>
Total Fixed Income	1.7%	3.5%	1.9%	5.0%	5.9%
Lehman Aggregate	1.5%	3.1%	1.7%	4.0%	4.9%
Total Domestic Fixed	1.8%	3.7%	1.6%	5.0%	6.2%
SSGA G/C (Leh G/C)	1.6%	3.1%	1.0%	3.9%	4.9%
Lehman Gov/Corp	1.6%	3.1%	1.0%	3.8%	5.0%
DBF MBS (Leh Mtge)	1.3%	3.0%	2.8%	4.1%	4.6%
Clearwater TBAs (Leh Mtg)	1.4%	3.0%	2.7%	4.4%	n/a
Lehman Mortgage	1.5%	3.1%	2.9%	4.3%	4.7%
DBF Mortgages (Leh Mtg)	1.8%	3.7%	1.9%	3.8%	5.3%
Lehman Treasury Bond	1.5%	3.1%	0.8%	3.4%	4.5%
SSGA TIPS (Leh TIPS)	2.3%	4.7%	1.2%	6.8%	8.0%
Lehman TIPS	1.7%	3.7%	1.5%	6.0%	7.3%
Total Global Fixed (Leh Aggr)	1.6%	3.2%	2.4%	5.0%	4.4%
Baring (Leh Aggr)	1.5%	3.3%	1.6%	4.7%	5.5%
Fidelity (Leh Aggr)	1.2%	3.1%	2.7%	n/a	n/a
Lehman Aggregate	1.5%	3.1%	1.7%	4.0%	4.9%
Lehman Global Bond	1.2%	1.4%	1.6%	5.9%	7.1%
Bridgewater Global I/L (Leh TIPS)	1.6%	2.5%	2.6%	n/a	n/a
Lehman TIPS	1.7%	3.7%	1.5%	6.0%	7.3%
Western Core Full + (Leh Aggr)	1.9%	3.9%	2.6%	n/a	n/a
Lehman Aggregate	1.5%	3.1%	1.7%	4.0%	4.9%
LIBOR + 300 bp	0.4%	1.3%	4.8%	2.9%	2.5%

Performance Commentary:

The Total Fixed Income portion of the portfolio exceeded the Lehman Aggregate return by approximately 20 basis points during the month. The SSgA Gov/Corp and Barings global fixed income portfolios generated returns in line with their respective benchmarks. Detracting from performance were the DBF MBS, Clearwater TBA, Fidelity core plus and the Bridgewater global TIPS portfolios, which underperformed relative to their respective benchmarks; this relative underperformance was offset by the value added by the DBF Mortgage, SSgA TIPS and Western portfolios, all of which added value over their respective benchmarks. For all longer time periods, the Total Fixed Income portion of the portfolio remains ahead of the Lehman Aggregate return.

Total Fixed Income
Lehman Aggregate Benchmark
For the month of: August 2006

Portfolio Attributes** (as reported by Russell/Mellon)

**** excludes ID Mortgages**

	<u>Coupon</u>	<u>Moody Quality</u>	<u>Current Yield</u>	<u>Yield to Maturity</u>	<u>Option Adj Duration</u>	<u>Modified Duration</u>	<u>Effective Convexity</u>	<u>Number of Holdings</u>
Total Fixed	4.05%	AAA	4.60%	11.53%	5.56	6.22	0.60	2,683
SSGA G/C	5.41%	AA1	5.13%	5.42%	5.05	5.15	0.49	1,701
DBF MBS	5.67%	AGY	5.70%	5.97%	3.94	4.80	(1.13)	37
SSGA TIPS	3.57%	UST	3.14%	5.06%	9.70	11.04	1.52	7
Bridgewater	1.39%	-	2.25%	5.22%	4.42	5.92	0.81	21
Clearwater TBA	5.43%	AAA	5.47%	5.59%	0.10	0.63	0.00	13
Baring	3.59%	AAA	5.03%	44.15%	5.22	4.52	0.34	44
Western	5.64%	AA2	5.71%	32.51%	3.77	4.99	-	248
Fidelity	5.25%	AA2	5.34%	5.93%	4.06	4.56	0.15	611

Sector Allocations

